

Amendments to the Abstract

Please **replace** the Abstract as currently entered with the following **rewritten** abstract commencing on a separate sheet.

-- A method of processing an information signal. The method includes applying a signal modification process to an information signal resulting in a processed signal, said signal modification process being controlled by at least one control parameter; comparing the processed signal with the information signal to determine a measure of perceptual quality of the processed signal; and adjusting the at least one control parameter in response to the determined measure of perceptual quality. The method is advantageously used in watermarking and compression systems, that use a model of the Human Auditory or Visual System to control the watermark embedding depth or the compression ratio, and that often fail to maintain a constant signal quality because they ignore other artifacts than the mask-to-noise ratio. --